

RESOLUTION NO. 75515

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING THE FINANCING STRUCTURE FOR THE ISSUANCE OF QUALIFIED ENERGY CONSERVATION BONDS BY THE CITY OF SAN JOSE FINANCING AUTHORITY, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$9,750,904.66, IN CONNECTION WITH THE FINANCING OF CERTAIN ENERGY EFFICIENCY AND RENEWABLE ENERGY CAPITAL IMPROVEMENTS OF THE CITY OF SAN JOSE AND DECLARING THE CITY'S INTENT TO REIMBURSE QUALIFIED PROJECT COSTS FROM BOND PROCEEDS

WHEREAS, the City of San José (the "City") and the Redevelopment Agency of the City of San José have heretofore entered into a Joint Exercise of Powers Agreement establishing the City of San José Financing Authority (the "Authority") for the purpose, among others, of having the Authority issue its bonds to finance the acquisition, construction and improvement of certain public capital improvements; and

WHEREAS, the Authority has heretofore determined to adopt and implement a program under which the Authority will provide financing for certain public capital improvements for the City; and

WHEREAS, the City has received an allocation, in the amount of \$9,750,904.66, for the issuance of Qualified Energy Conservation Bonds to finance one or more of the energy efficiency and renewable energy capital improvements set forth on Exhibit A hereto (collectively, the "Project") for certain City owned facilities; and

WHEREAS, the City intends to request that the Authority issue lease revenue bonds (the "Bonds") pursuant to which the City would use the proceeds of the Bonds to acquire the Project; and

WHEREAS, in order to provide security for the Bonds and a source of moneys to pay debt service on the Bonds, and in consideration of receiving the proceeds of the Bonds to acquire the Project, the City will lease the Project to the Authority pursuant to a site and facilities lease, and the Authority will lease the Project back to the City pursuant to a project lease and will charge the City lease payments in an amount sufficient to pay debt service on the Bonds; and

WHEREAS, the City expects to pay and incur certain expenditures in connection with the Project; and

WHEREAS, Section 54A(d)(2)(D) of the Internal Revenue Code of 1986 (the "Tax Code") and Section 1.150-2 of the Treasury Regulations promulgated under the Tax Code (the "Treasury Regulations") require the City to declare its reasonable official intent to reimburse prior expenditures with the proceeds of a subsequent borrowing; and

WHEREAS, the Tax Code and the Treasury Regulations require that any reimbursement allocation of proceeds of the Bonds be made with respect to expenditures

incurred prior to the issuance of the Bonds not later than eighteen (18) months after the date on which the expenditure is paid; and

WHEREAS, the City Council has duly considered such transactions and wishes at this time to approve certain matters relating to said transactions in the public interest of the City;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE AS FOLLOWS:


Section 1. Approval of Financing Structure. The City Council hereby approves the lease financing structure described above in connection with the issuance of the Bonds.

Section 2. Reimbursement. The City hereby declares its official intent to reimburse expenditures of the City relating to the Project that are incurred or paid prior to the issuance and sale of the Bonds from the proceeds of the Bonds.

Section 3. Effective Date. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 3rd day of August, 2010, by the following vote:

AYES:	CAMPOS, CHIRCO, CHU, CONSTANT, HERRERA, KALRA, LICCARDO, NGUYEN, OLIVERIO, PYLE; REED.
NOES:	NONE.
ABSENT:	NONE.
DISQUALIFIED:	NONE.



CHUCK REED
Mayor

ATTEST:



LEE PRICE, MMC
City Clerk

Group 1: Facilities with Potential Generation Capacity of 0.5 MW or More

Facility Name	Site Address	PG&E Rate Schedule	Energy Use (kWh)	Roof Area (s.f.)	Parking Lot and other (s.f.)	Potential MW (red = DOE-SAC)	Potential Annual kwh
POLICE-POLICE ADMINISTRATION & COMMUNICATIONS BLDGS	201 WEST MISSION STREET/ 855 NORTH SAN PEDRO STREET SAN JOSE 95110	E20P	7,505,110	89,193	155,083	2.18	2,962,814
SANTA TERESA LIB - NEW	290 INTERNATIONAL CIR SAN JOSE 95119	N/A	275,442	22,000	90,743	0.90	1,218,636
KELLEY PARK	1300 SENTER RD SAN JOSE 95112	A1	477,774	N/A	7,157,135	0.83	1,123,350
SEVEN TREES CC & LIB- Under Construction	3590 CAS DR SAN JOSE 95111	N/A	589,390	29,000	58,000	0.69	940,380
SOUTH SERVICE YARD	4420 MONTEREY HWY SAN JOSE 95111	A1P	262,580	18,124	63,658	0.61	832,467
EDUCATIONAL PARK LIB - Under Construction	1772 EDUCATIONAL PARK DR., SAN JOSE 95133	N/A	253,731	18,000	50,452	0.54	739,896
POLICE SUBSTATION - Under Construction	6807 GREAT OAKS PARKWAY, SAN JOSE, CA 95119	N/A	1,356,000	1,156	61,722	0.50	679,646
Total			10,720,026	177,473	7,636,793	6.25	8,497,190
						6.2	MW potential

Group 2: Facilities with Potential Generation Capacity of Less than 0.5 MW

Facility Name	Site Address	PG&E Rate Schedule	Energy Use (kWh)	Roof Area (s.f.)	Parking Lot and other (s.f.)	Potential MW	Potential Annual kwh
BASCOM CC & LIB- Under Construction	1000 S. BASCOM SAN JOSE 95128	N/A	408,045	20,000	37,940	0.46	626,272
ROOSEVELT CC	901 E SANTA CLARA ST SAN JOSE 95116	A10S	113,440	30,000	24,815	0.44	592,494
PRUSCH PARK	647 S. KING RD., SAN JOSE 95122	A10S	119,482	24,067	309,528	0.42	569,472
SOUTHSIDE SC	5585 COTTLE RD SAN JOSE 95123	A10S	328,343	23,771	27,306	0.37	506,497
PAL SPORTS CENTRE	680 SOUTH 34TH STREET, SAN JOSE CA 95116	E19SX	577,077	N/A	74,200	0.34	463,914
BERRYESSA CC	3050 BERRYESSA RD SAN JOSE 95132	A10S	264,204	13,700	62,404	0.30	403,039
PEARL LIB	4270 PEARL AVE SAN JOSE 95136	A1P	135,981	14,000	20,900	0.28	377,233
VINELAND LIB	1450 BLOSSOM HILL RD SAN JOSE 95118	A10S	335,113	24,000	20,000	0.26	354,458
BERRYESSA NEW LIB	3355 NOBLE AVE # A SAN JOSE 95132	A10S	461,351	26,000	22,000	0.26	353,259
EDENVALE CC - Under Construction	330 BRANHAM LANE E SAN JOSE 95111	N/A	185,146	24,204	7,030	0.25	337,607
JOYCE ELLINGTON LIB	491 E EMPIRE ST SAN JOSE 95112	A1P	176,760	15,000	12,757	0.22	300,025
EDENVALE LIB	101 BRANHAM LN. EAST SAN JOSE 95111	A10S	374,960	11,000	16,442	0.22	296,620
TULLY LIB	880 TULLY ROAD SAN JOSE 95111	A10S	445,559	24,000	47,500	0.22	298,680

ALUM ROCK LIB	3090 ALUM ROCK AVE SAN JOSE 95127	A10S	452,632	26,000	20,000	0.20	272,891
ANIMAL CARE CENTER	2750 MONTEREY HWY SAN JOSE 95111	E19SX	1,135,817	46,857	17,608	0.18	251,000
WEST VALLEY LIB	1243 SAN TOMAS AQUINO RD SAN JOSE 95117	A10S	268,172	20,123	22,000	0.15	202,119
CAMBRIAN LIB	1780 HILLSDALE AVE SAN JOSE 95124	A10S	357,712	27,000	25,482	0.15	202,419
MUNI OFFICE	3025 TUIERS RD SAN JOSE 95121	A10S	204,798	6,457	40,000	0.14	191,623
E SJ CARNEGIE LIB	1102 E SANTA CLARA ST SAN JOSE 95116	A10S	115,488	11,658	5,580	0.14	186,325
HILLVIEW NEW LIB	1600 HOPKINS DR SAN JOSE 95122	A10S	355,247	21,000	30,500	0.13	170,632
STABLES-POLICE BRIEFING	2525 KENOGA DRIVE SAN JOSE 95121	E19SV	67,710	N/A	17,565	0.12	157,760
WILLOW GLEN LIB	1157 MINNESOTA AVE SAN JOSE 95125	A1P	97,181	13,000	0	0.10	140,517
ALVISO LIB & CC	5050 N 1ST ST ALVISO 95002	A10S	119,012	5,850	14,000	0.09	120,852
WEST SJ CC & POLICING CTR	3707 WILLIAMS RD SAN JOSE 95117	A10S	119,078	5,171	7,320	0.04	52,479
GUADALUPE RIVER PARK	W JULIAN 100' WEST OF GUADALUPE RIVER SAN JOSE 95110	A1	77,232	6,000	5,227,200	0.03	38,984
Total			7,295,538	438,858	6,110,077	5.49	7,467,170
						5.5	MW potential

Group 3: Facilities Not Eligible for Site Leases of More than 3 Years

Facility Name	Site Address	PG&E Rate Schedule	Energy Use (kWh)	Roof Area (s.f.)	Parking Lot and other (s.f.)	Potential MW	Potential Annual kwh
CAMDEN CC	3369 UNION AVE SAN JOSE 95124	A10S	465,149	42,000	178,058	0.60	821,971
ALMADEN CC & LIB	6445 CAMDEN AVE SAN JOSE 95120	A10SX	947,937	32,575	42,158	0.44	594,662
WILLOW CC & SC	2175 LINCOLN AVE SAN JOSE 95125	A1P	175,634	14,715	46,293	0.30	408,137
EVERGREEN CC	4860 SAN FELIPE RD SAN JOSE 95135	A10S	270,303	13,000	37,000	0.29	399,932
MAYFAIR CC	2039 KAMMERER AVE SAN JOSE 95116	A10S	53,195	27,303	5,950	0.26	359,431
Total			2,243,211	151,093	339,459	2.13	2,898,706
						2.1	MW potential

13.9 TOTAL MW Potential

Project Description	Est. Project Cost	Qualifying Project Type	Timeline for all local actions/ approvals	Local approvals obtained to date	Anticipated Construction Start Date
1. Environmental Innovation Center Solar System (HHW only) 105 kW Solar installation on roof and parking lot at Environmental Innovation Center Savings: Solar estimated to generate 157,350 kWh (annual output) or an estimated 30% of the site's electrical load	\$2,124,388	Qualified facilities under Section 54D(f)(1)(A)(iv) and Section 45(d)(iv) of the Internal Revenue Code of 1986	Prior to June 2011	None	After July 2011
2. Energy-efficiency at Environmental Innovation (HHW only) Energy-efficiency improvements including 18 skylights, LED task lighting, daylighting controls, integrated office lighting system, bi-level smart LED bollard, low glare wall pack, air flow and measurement controls, insulation, energy-saving windows Savings: About 32% reduction in energy usage	\$349,100	20% reduction in building energy consumption	Prior to June 2011	None	After July 2011
3. Police Substation Solar System 499.7 kW Solar installation on Main Roof/ Main Roof East and parking lot of the Police Substation Savings: TBD	\$2,998,440	Qualified facilities under Section 54D(f)(1)(A)(iv) and Section 45(d)(iv) of the Internal Revenue Code of 1986	Prior to June 2011	None	After July 2011
4. Police Administration Building Solar System 151.2 kW Solar installation on roof and parking lot of Police Administration Building Savings: TBD	\$907,200	Qualified facilities under Section 54D(f)(1)(A)(iv) and Section 45(d)(iv) of the Internal Revenue Code of 1986	Prior to June 2011	None	After July 2011
5. Police Communications Buildings Solar System 87 kW Solar installation on parking lot of Police Communications Buildings Savings: TBD	\$522,000	Qualified facilities under Section 54D(f)(1)(A)(iv) and Section 45(d)(iv) of the Internal Revenue Code of 1986	Prior to June 2011	None	After July 2011
6. Convention Center Solar System 496.5 kW Solar installation on roof at Convention Center Savings: Solar would generate 8% of site's electrical load (\$83,600 savings)	\$2,979,000	Qualified facilities under Section 54D(f)(1)(A)(iv) and Section 45(d)(iv) of the Internal Revenue Code of 1986	Prior to June 2011	None	After July 2011
7. Convention Center Lighting retrofit Savings: 724,200 kWh (\$90,000); about 1% of energy usage	\$750,000	20% reduction in building energy consumption (when bundled with EIC)	Prior to June 2011	None	After July 2011
8. Yerba Buena Pump Station Solar System 504 kW Solar installation on the Yerba Buena pump station and land Savings: 70% or 40-50% of site's electrical load	\$3,024,000	Qualified facilities under Section 54D(f)(1)(A)(iv) and Section 45(d)(iv) of the Internal Revenue Code of 1986	Prior to June 2011	None	After July 2011
TOTAL PROJECTS	\$13,654,128				